

## **Stamp Duties (Section 23) Order 2017**

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**No. S 100**

### **STAMP DUTIES ACT (CHAPTER 312)**

#### **STAMP DUTIES (SECTION 23) ORDER 2017**

In exercise of the powers conferred by section 23D(2) of the Stamp Duties Act, the Minister for Finance makes the following Order:

### **Citation**

1. This Order is the Stamp Duties (Section 23) Order 2017.

### **Commencement of sections 23 to 23C of Act**

2. Sections 23 to 23C of the Act are deemed to have come into operation on 11 March 2017.

### **Holding period**

3. The holding period under section 23(8)(b) of the Act is 3 years.

### **Prescribed percentages**

- 4.—(1) The equity-owning percentage under section 23(11)(a) of the Act is 50%.
- (2) The voting power percentage under section 23(11)(b) of the Act is 50%.
- (3) The Type 1 PHE percentage under section 23(13)(a) of the Act is 50%.
- (4) The Type 2 PHE percentage under section 23(13)(b) of the Act is 50%.
- (5) The significant stake percentage under section 23(16) of the Act is 50%.

### **Prescribed immovable property**

5. For the purposes of the definition of “prescribed immovable property” in section 23(21) of the Act, prescribed immovable property is any immovable property that is —

- (a) zoned, or situated on land that is zoned, under the Master Plan as follows:

- (i) “Residential”;
- (ii) “Commercial and Residential”;
- (iii) “Residential/Institution”;
- (iv) “Residential with Commercial at 1st Storey”; or
- (v) “White”;

- (b) permitted to be used by a written permission given under section 14(4) of the Planning Act (Cap. 232) (not being one that is given for a period of 10

years or less), for solely residential purposes or for mixed purposes one of which is residential;

- (c) permitted to be used by a notification under section 21(6) of the Planning Act, for solely residential purposes or for mixed purposes one of which is residential; or
- (d) used for solely residential purposes or for mixed purposes one of which is residential, in a case where the property was so used on 1 February 1960 and has not been put to any other use since that date, and where such use is not the subject of a written permission mentioned in sub-paragraph (b) or a notification mentioned in sub-paragraph (c).

### **Associates**

**6.—**(1) For the purposes of section 23(20)(d) of the Act —

- (a) an entity (*X*) is associated with another entity (*Y*) if —
  - (i) *X* beneficially owns the voting capital and voting power in *Y* to a significant extent; or
  - (ii) a third entity (*Z*) beneficially owns the voting capital and voting power in both *X* and *Y* to a significant extent;
- (b) if an individual beneficially owns the voting capital and voting power in an entity to a significant extent, then the individual is associated with the entity; and
- (c) if an individual beneficially owns —
  - (i) the voting capital and voting power in an entity to a significant extent; and
  - (ii) the voting capital and voting power in another entity to a significant extent,

then those entities are associated with each other.

(2) For the purposes of sub-paragraph (1)(a), *X* beneficially owns voting capital and voting power in *Y* to a significant extent in any of the following circumstances:

- (a) *X* beneficially owns the voting capital and voting power in *Y* directly and to a significant extent;
- (b) *X* beneficially owns the voting capital and voting power in *Y* indirectly and to a significant extent, through a single chain of one or more intermediate entities, where —

- (i) *X*, and each intermediate entity in the chain, beneficially owns voting capital and voting power in the entity following it next in the chain directly and to a significant extent; and
- (ii) *X* beneficially owns voting capital and voting power in *Y* indirectly and to a significant extent;

(c) either —

- (i) *X* beneficially owns the voting capital and voting power in *Y* directly, and beneficially owns the voting capital and voting power in *Y* indirectly through one or more chains of intermediate entities that satisfies the condition in sub-paragraph (3); or
- (ii) *X* beneficially owns the voting capital and voting power in *Y* indirectly through 2 or more chains of intermediate entities that satisfies the condition in sub-paragraph (3),

and the sum of each of *X*'s beneficial ownership of the voting capital and voting power in *Y* under sub-paragraph (i) or (ii) are to a significant extent.

(3) The condition mentioned in sub-paragraph (2)(c) is that each entity in the chain (including *X* but not the entity immediately before *Y*) must beneficially own voting capital and voting power in the entity following it next in the chain directly and to a significant extent.

(4) Sub-paragraphs (2) and (3) apply for the purposes of sub-paragraph (1)(a)(ii), as if —

- (a) a reference in sub-paragraphs (2) and (3) to *X* were a reference to *Z*; and
- (b) a reference in sub-paragraphs (2) and (3) to *Y* were a reference to *X* or *Y*, as the case may be.

(5) For the purposes of sub-paragraph (1)(b) and (c), an individual beneficially owns voting capital and voting power in an entity to a significant extent in any of the following circumstances:

- (a) the individual beneficially owns the voting capital and voting power in the entity directly and to a significant extent;
- (b) the individual beneficially owns the voting capital and voting power in the entity (called in this sub-paragraph and sub-paragraph (6) the ultimate entity) indirectly and to a significant extent, through a single chain of one or more intermediate entities, where —